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TAGS: [PGOV](#) [KCOR](#) [KDEM](#) [IZ](#)
SUBJECT: ANTI-CORRUPTION DEVELOPMENTS

REF: BAGHDAD 675

Classified By: ANTI-CORRUPTION COORDINATOR JOSEPH STAFFORD, REASON 1.4
(B AND D)

UPDATE ON FINANCIAL DISCLOSURE SUBMISSIONS

¶1. (SBU) The GOI's lead anti-corruption agency, the Commission on Integrity (COI), announced April 30 President Jalal Talabani's submission of the legally required annual financial disclosure statement for 2008, portraying the President's action as "a first in the history of modern Iraq." Per reftel, the COI had previously announced submissions by Prime Minister Nouri Al-Maliki and other senior officials. In its April 30 announcement, the COI revealed that all but three GOI ministers had filed submissions and criticized members of the Council of Representatives (COR) for failing to do so.

¶2. (C) The COI also reported that submissions by some unnamed officials revealed "unnatural increases in income" and that it was conducting follow-up investigations in these cases. (COMMENT: The legal requirement for senior members of all branches of the GOI to submit the annual financial disclosure statements has been widely ignored in the past. Our sense is that the number of officials submitting the statements for 2008 has substantially increased over previous years. It remains to be seen whether the COI's investigations of questionable submissions will result in prosecution or other sanctioning if evidence of financial wrongdoing is established. END COMMENT)

STATEMENTS BY SENIOR GOI OFFICIALS

¶3. (U) The imperative of tackling corruption remains a standard theme in pronouncements by senior GOI officials. According to media reports, in an April 23 meeting with COR members, Vice President Tariq Al-Hashimi conveyed the Presidency Council's backing of the COR Integrity Committee's effort to expand its enquiries into corruption issues as well as its oversight of the anti-corruption institutions (COI, Board of Supreme Audit, corps of Inspectors General). He reportedly stressed the need for prompt investigations when suspicions arise as to possible corruption surrounding the awarding of major GOI contracts. Al-Hashimi emphasized that more must be done to bring corrupt officials to account, noting citizens' frustration when they hear of corruption allegations but then see that "nothing significant is done" to prosecute those under suspicion.

¶4. (U) Deputy Prime Minister Barham Salih, in an April 14 television interview, acknowledged that "corruption is a big problem in Iraq," describing it "as serious as terrorism" and "one of the main problems threatening Iraq's democratic project." Asked to estimate the scale of corruption in Iraq, he said he lacked accurate data to do so, but went on to state that "corruption exists in all aspects of life in Iraq, from small bribes to manipulating contracts and obtaining

commissions from large companies." According to Salih, the "good news" is that "the Iraqi people and officials admit that this problem exists and that there are measures to combat it" -- a reference to the COI, BSA, and Inspectors General.

15. (C) COMMENT: Vice President Al-Hashemi's acknowledgement of citizens' "frustration" underscores the need for his and Deputy Prime Minister Salih's rhetoric to be matched with stepped-up efforts by the GOI to bring corrupt officials to account. Iraqi viewers are likely to be somewhat skeptical of Salih's characterization of the anti-corruption institutions as "good news," given widespread criticism of their performance, in particular the COI and Inspectors General. END COMMENT
HILL